UNITED STATES DISTRICT COURT EASTERN DISTRICT OF MICHIGAN

REBECCA FRIKSE, individually and)
on behalf of all others similarly situated,	
•) Case No. 16-cv-12799-DML-EAS
Plaintiff,	
) District Judge David M. Lawson
VS.) Magistrate Judge Elizabeth A.
) Stafford
BONNIER CORPORATION, a	
Delaware corporation	
-	
Defendant.)

DECLARATION OF CHRISTIAN J. CLAPP IN SUPPORT OF JOINT REQUEST TO ALLOW PAYMENT OF ADDITIONAL ADMINISTRATION COSTS

I, Christian J. Clapp, pursuant to section 1746 of Title 28 of the United States Code, declare as follows:

- 1. I am a Vice President with Angeion Group, LLC ("Angeion"), the Settlement Administrator retained in this matter. Angeion's office is located at 1650 Arch Street, Suite 2210, Philadelphia, PA 19103.
- 2. I am over 21 years of age and am not a party to this action. I have personal knowledge of the facts set forth herein and, if called as a witness, could and would testify competently thereto. I submit this declaration to address the Motion to Amend the Order Regrading Administration Fees.

- 3. In June of 2017, Angeion submitted an estimate to perform notice and settlement administration services for this case. The estimated fee for those services was \$102, 712.
- 4. In 2017, the estimated class size was 153, 107. It was further contemplated that notice of the settlement would be accomplished by sending postcards to all class members. The cost for printing and mailing notice was estimated to be about \$7,000 and the postage approximately \$41,500.
- 5. Since the original estimate, the class size increased from 153,107 to 164,509 and postage rates also increased. The increase in class size and postage rates resulted in a cost increase of about \$9,000.
- 6. In July of 2019, after the June 11, 2019 hearing to certify the class, Angeion was asked to revise the estimate based on the Court ordering class members to receive a long form notice instead of a postcard notice. This change increased the estimate by about \$43,000.
- 7. As of January 28, 2020, the administrative costs are estimated to be approximately \$173,500. This number is close to the estimate provided in July of 2019, however, a few other factors further increased the costs of administration.
- 8. First, the estimates assumed 6,580 of mailings would yield undeliverable mail which would need to be processed. It is impossible to know the exact amount of undeliverable mail until the notice mailing actually happens. In

this instance, we had a higher than anticipated undeliverable mail rate and this increased the fees by approximately \$1,500.

- 9. In the July 2019 estimate, we assumed that we would receive 14,806 claims. Again, this number is impossible to know with certainty until the claims are actually filed and processed. To date, we have received 18,044 claims. The additional filed claims have already increased costs of administration by approximately \$3,600 and future costs related to distribution will increase by approximately \$5,000.
- 10. Finally, the estimate did not account for an objector and subsequent appeals period. The appeal period increased the July 2019 estimate by approximately \$3,500.
- 11. The invoices and estimates prepared by Angeion can be made available for the Court's inspection, however, because they contain sensitive internal pricing information, to maintain confidentiality of such trade secrets if the Court requires their production they would need to be provided under seal for *in camera* review.
- 12. In June of 2019, this Court issued an Order requiring the parties to seek approval from the Court before any amounts more than \$100,000 were paid to the administrator. *See* ECF No. 66, page 11.

- 13. It is my understanding that this cap was based on the 2017 estimate, which did not envision an increased class size, mailing long form notices, higher than anticipated claims, and costs related to the objector and appeal.
- 14. Thus far the postage alone has cost Angeion \$71,653.53. At this time, Angeion does not have enough funds with the current cap in place to complete administration of this case. Angeion still needs funds to complete the distribution of checks to class members. It is estimated that the cost to complete the administration, which includes sending checks to class members will be up to \$30,000.
- 15. Additionally, Angeion has not been paid for its other fees and expenses already incurred. Currently, Angeion is owed \$44,202.94.
- 16. Accordingly, if this cap is not lifted Angeion will incur unwarranted financial hardship.
- 17. For the reasons above, Angeion respectfully requests the Court revise the cap to include all fees and expenses both incurred and contemplated so that Angeion may perform its administration duties. A revised cap of \$175,000 will adequately fund the administration of the settlement.
- 18. The estimated number of claims is currently 18,044. All submissions are subject to final review and audits, including de-duplication review. The revised cap of \$175,000 will result in minimal impact to the class. It is estimated that with

the increased cap class members will still receive settlement payments ranging from about \$70 to \$74. It is estimated the increased cap will only cost class members about \$4.15 per class member.

19. I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct to the best of my knowledge.

Executed this 18th day of February 2020 at San Diego, CA.

/s/ Christian J. Clapp